PUBLIC BRIEFING AND PUBLIC HEARING NOTICE

The Virginia Department of Environmental Quality (DEQ), Southwest Regional Office has received an application for a Prevention of Significant Deterioration permit from Island Creek Coal Company for a major modification to the VP #8 Garden coal preparation facility pursuant to 9 VAC 5 Chapter 80, Article 6 and Article 8 of the Virginia Regulations for the Control and Abatement of Air Pollution. The facility is located on State Route 624 at Skeggs, Buchanan County, Virginia. The Department staff has completed its review of the permit application and is ready to receive and consider public comments on air quality issues associated with the proposed modification. The Department's preliminary determination is that the proposed project meets the standards for issuing the air permit in accordance with Article 6 and Article 8 of the Regulations.

DEQ will conduct a public briefing on August 23, 2004, beginning at 7:00 p.m. in Room 226 at the Appalachian School of Law, Grundy, Virginia. This briefing will explain the activity for which the permit is sought and the DEQ staff's rationale for its preliminary determination. DEQ staff will address questions related to the air quality issues affecting the proposed modification. Information exchanged during the briefing will not be part of the public record.

DEQ will begin accepting public comments on the draft permit beginning on August 24, 2004. The public may examine the draft permit package at the Buchanan County Public Library, Poe Town Road, Grundy, Virginia and at the DEQ Southwest Regional Office, 355 Deadmore Street, Abingdon, Virginia on each business day between the hours of 8:30 a.m. and 4:30 p.m. Information on the proposed permit action may be obtained by contacting Bruce Mullins at (276) 676-4825, 355 Deadmore Street, P.O. Box 1688, Abingdon, Virginia 24212 on any business day between the hours of 8:15 a.m. and 5:00 p.m., or by electronic mail at abmullins@deq.virginia.gov.

DEQ will conduct a public hearing on September 23, 2004, beginning at 7:00 p.m. in Room 226 at the Appalachian School of Law, Grundy, Virginia. The hearing will be held to receive written and oral comments concerning the draft permit for Island Creek Coal Company to modify and operate the VP #8 Garden coal preparation facility. The coal preparation facility consists of coal handling and transfer equipment, a wet process plant, and a coal-fired thermal dryer. The proposed permit would allow combustion in the thermal dryer of no more than 100,000 gallons of distillate oil per year and 3.77 tons per hour of bituminous coal. The proposed permit would limit operation of the thermal dryer to no more than 6,240 hours per year.

Proposed emission limits for the facility are: 104.4 tons per year (tpy) of particulate matter (PM), 69.81 tpy of particulate matter less than or equal to 10 microns (PM-10), 216.22 tpy of sulfur dioxide (SO₂), 284.86 tpy of nitrogen oxides (NOx), 418.7 tpy of carbon monoxide (CO), 191.23 tpy of volatile organic compounds (VOC), 2.46 tpy of hydrogen chloride (HCl) and 1.92 tpy of hydrogen fluoride (HF).

Class II multi-source air quality modeling analysis was performed for NOx, PM-10 and SO₂ for comparison to the National Ambient Air Quality Standards (NAAQS) and allowable increments. The 24-hour concentration of PM-10 would consume 94% of its respective

increment. The 24-hour concentration of SO₂ would consume 82% of its respective increment. The annual concentration of NOx would consume 93% of its respective increment. Modeled concentrations of toxic pollutants are less than Significant Ambient Air Concentrations (SAAC).

Persons desiring to make a statement at the hearing are requested to sign up on a sheet to be provided 15 minutes before the public hearing and to furnish the hearing officer with two copies of their testimony, along with any supporting documents or exhibits. Written comments may be submitted in lieu of oral comments at the public hearing, or to the DEQ Southwest Regional Office. Written comments must be received by the DEQ Southwest Regional Office no later than the close of business on October 8, 2004. Any e-mail comments must include the name, address, and phone number of the commenter. All testimony, exhibits and comments presented or made during the public comment period are part of the public record.